

~~SECRET~~

INTERNAL DPD ONLY

OXC-0168 ✓
Copy No. 9

12 December 1959

MEMORANDUM FOR: Acting Chief, Development Projects Division

SUBJECT : Competitive Bidding on OXCART Components and Subsystems

REFERENCE : Memorandum for DD/P, dated 8 December 1959, from AC/DPD, subject "Competitive Bidding on Certain OXCART Components" (OXC-0152)

1. I am returning herewith the referenced memorandum in which I have concurred. I appreciate the attention that has been given to this matter and recognize the validity of the conclusions reached and the recommendations based thereon. Despite my concurrence, however, I wish to supplement the approved recommendations in the referenced memorandum by the following instructions.

2. So far as possible, we should recognize several kinds of cases in which the question of subcontracting procedures will arise and the variations of policy approach to each type of case as following:

a. There will be many components the characteristic and required performance of which do not reveal very much about the nature of the OXCART system or the magnitude of the effort being undertaken to produce it. Obviously as clearly implied by Recommendation a. in paragraph 7. of the reference, these should be handled in accordance with normal prudent procurement procedures. If short cuts are called for on grounds of speed, they should be justified as they would be in any less sensitive program.

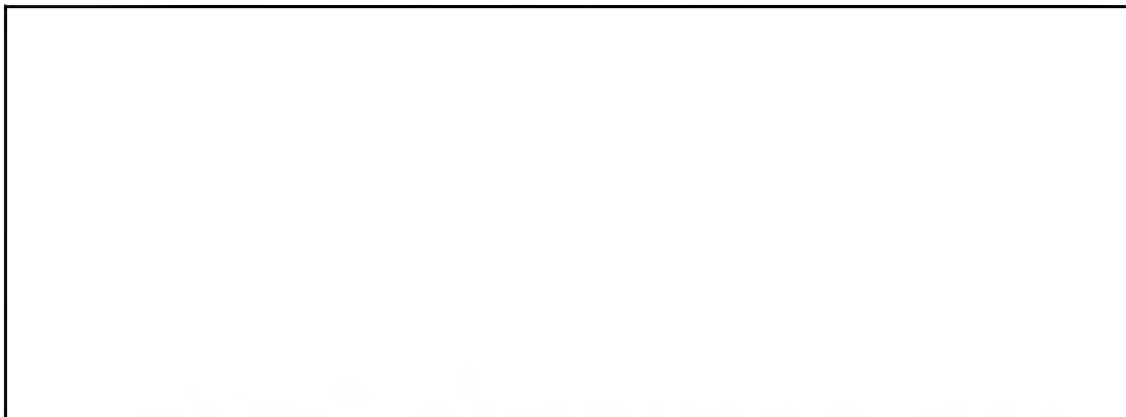


25X1

SECRET

25X1

- 2 -



c. With respect to major subsystems, Recommendation b. should be interpreted to call for the submission of the individual case to me with a recommendation for action, whatever the recommendation may be. In short, I wish to approve not only limited competitive bidding where it appears possible but also a decision in favor of sole source selection where that course of action appears to be indicated.

Attachment:
Reference

(sgd) Richard M. Bissell, Jr.
RICHARD M. BISSELL, JR.
Deputy Director
(Plans)

Distribution:

#1-AC/DPD

2-DPD/Admin

3-C/DPD/DB

4-DPD-Cover

5-DPD-Contracts

6-DPD-Ops

7-DPD-Fin

8-DPD-Mats

11- DPD- Security 1/11/60

DD/P:RMB:djm

✓ 9-DD/P Chrono

10-Extra

SECRET